

Message Text

LIMITED OFFICIAL USE

PAGE 01 NAIROB 04409 071110Z
ACTION XMB-04

INFO OCT-01 AF-08 NEA-10 ISO-00 EB-08 SP-02 L-03
INR-07 SSO-00 INRE-00 /043 W
-----071120Z 099545 /17
O R 070917Z APR 77
FM AMEMBASSY NAIROBI
TO SECSTATE WASHDC IMMEDIATE 7356
INFO AMEMBASSY NEW DELHI

LIMITED OFFICIAL USE NAIROBI 4409

FOR EXIMBANK

E.O. 11652: N/A
TAGS: BEXP, EFIN, XMB, KE
SUBJECT: KENYA FIBRE CORPORATION LIMITED

REF: NAIROBI 4326 (NOTAL)

1. FOLLOWING MESSAGE SHOULD BE DELIVERED ASAP TO EXIMBANK.
EXIMBANK BOARD MEETING APRIL 8, WILL CONSIDER CREDIT TO
KENYA FIBRE CORPORATION (KFC).

2. DURING CASUAL MEETING APRIL 6 IN NANYUKI, MWAI KIBAKI,
KENYAN MINISTER FINANCE AND PLANNING, SPOKE WITH AMBASSADOR
AND EMBOFF ABOUT KENYAN GOVERNMENT'S STRONG DESIRE FOR
EXIMBANK FINANCING FOR KENYA FIBRE CORPORATION. U.S.
CORPORATION CHEMTEX HAS IMPORTANT POSITION IN KFC.

3. KIBAKI SAID HE FEARED KFC'S ABILITY TO COMPETE MIGHT
NOT BE FULLY APPRECIATED. COMPETITOR, J.K. SYNTHETICS,
HE SAID, HAS SO FAR NOT BROUGHT ANY CAPITAL INTO KENYA
BUT IS USING KENYA GOVT. CAPITAL CONTRIBUTION TO INITIATE
CONSTRUCTION OF PLANT AND QUOTE MAKE TRIPS TO EUROPE
UNQUOTE. KENYA GOVT TIRING OF SITUATION WHICH HAS GONE
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ON FOR TWO YEARS. MOREOVER, KIBAKI SAID, SPECIAL PER-
MISSION NEEDED TO EXPORT CAPITAL FROM INDIA. WHILE
MRS. GHANDI FRIENDLY TO J.K. AND J.K. MAY THEREFORE
HAVE EVENTUALLY RECEIVED PERMISSION TO EXPORT CAPITAL, KIBAKI
EXPLAINED, IT NO LONGER CLEAR J.K. WILL ENJOY PREFERENTIAL
POSITION WITH NEW INDIAN GOVERNMENT.

4. KIBAKI ADDED THAT IF BOTH PLANTS GET OFF GROUND,
NO MORE THAN TEN PERCENT OF CHEMTEX'S PRODUCT WOULD
COMPETE WITH J.K.'S. TO EXTENT THAT DIRECT COMPETITION
INVOLVED, KIBAKI CONFIDENT THAT J.K. COULD NOT MATCH
CHEMTEX PLANT OR TECHNOLOGY.

DECON 4/7/78

MARSHALL

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: INVESTMENT PROGRAMS, FIBERS
Control Number: n/a
Copy: SINGLE
Sent Date: 07-Apr-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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From: NAIROBI
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Litigation Codes:
Litigation History:
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Original Previous Classification: n/a
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SAS ID: 2868778
Secure: OPEN
Status: NATIVE
Subject: KENYA FIBRE CORPORATION LIMITED
TAGS: BEXP, EFIN, KE, XMB, KENYA FIBRE CORP LTD
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Type: TE
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